stating that in view of infrastructural adversities and short duration of fiscal incentives, some of the new entrepreneurs were not able to commission their projects in time.

(b) and (c) Initially, the excise duty exemption for units in Kutch district of Gujarat was available for units set up within two years of issue of the notification and the exemption was granted for a period of five years from the date of commencement of commercial production. Subsequently, Government had received requests for seeking extention of the period for setting up of new units. Taking into consideration such representations, the Government has extended the time limit thrice for setting up new units, first, from 31st July 2003 to 31st July, 2004, then to 31st December, 2004 and finally, to 31st December, 2005.

While examining the request for extending the period for setting up new units beyond 31st December, 2004, it was observed that any further extention of period for setting up of new units, would defeat the very purpose of the exemption scheme to attract immediate fresh investments and would only result in windfall gains for those units which would now be investing in Kutch, much after the earthquake when the conditions have improved. However, while ranting the extention upto 31st December, 2005, Government of Gujarat was requeted to impress upon the potential investors to expedite investments and to make it clear to them that there would be no further extention of the exemption beyond 31.12.2005.

Tax concessions to the wealthy

3773. SHRI MOINUL HASSAN: Will the Minister of FINANCE be pleased to state:

whether due to a host of tax concessions to the rich people, during the Tenth Plan period, Rs. 2.35 lakh crore were denied to the exchequer; and

whether Government is not interested to bring the people who are earning profits due to stock market boom under the tax net; if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The Revenue Foregone during the Tenth Plan Period, on account of Direct and Indirect Tax concessions, was as follows:

2002-03	—	Not Available
2003-04	—	Not Available
2004-05	—	Rs. 1,58,661 crore
2005-06	—	Rs. 2,06,700 crore
2006-07	—	Rs. 2,39,712 crore

(b) Equity shares transacted on recognised stock exchanges are liable to Securities Transaction Tax (STT). In addition, the short-term capital gains from transactions in such shares are liable to tax at the rate of 10%. This has now been proposed to be increased to 15% in the Finance Bill, 2008. Therefore, it is incorrect to say that Government is not interested in taxing people who are earning profits due to stock market boom.